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CITY COURT OF KAPLAN

Financial Report

Year Ended June 30, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12-10-03

TABLE OF CONTENTS

	<u>Page</u>
ACCOUNTANTS' COMPILATION REPORT	1
GENERAL-PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)	
Combined balance sheet - all fund types and account groups	3
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	4
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual - governmental fund types	5-6
Notes to financial statements	7-11
SUPPLEMENTAL INFORMATION	
SCHEDULES OF INDIVIDUAL FUNDS	
Agency Fund:	
Combining balance sheet	15
Combining schedule of collections, distributions, and unsettled balances	16
OTHER SUPPLEMENTAL INFORMATION	
Independent Accountants' Report on Applying Agreed-upon Procedures	18-20
Summary schedule of current and prior year findings and corrective action plan	21

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ACCOUNTANTS' COMPILATION REPORT

The Honorable Frank E. Lemoine, City Judge
City Court of Kaplan, Louisiana

We have compiled the accompanying general-purpose financial statements of the City Court of Kaplan, Louisiana, as of and for the year ended June 30, 2003, and the accompanying supplementary schedules, as listed in the table of contents. The financial statements and supplementary schedules, which are presented only for supplementary analysis purposes, were compiled in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules, information that is the representation of the management of the City Court of Kaplan. We have not audited or reviewed the accompanying general-purpose financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Government Audit Guide and the provisions of state law, we have issued a report dated October 30, 2003, on the results of our agreed-upon procedures.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 30, 2003

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**GENERAL-PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

CITY COURT OF KAPLAN, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2003

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Account Group</u>	<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Agency</u>	<u>General Fixed Assets</u>	
ASSETS					
Cash and cash equivalents	\$ 13,111	\$ 6,011	\$ 27,728	\$ -	\$ 46,850
Due from other funds	1,351	1,014	5,592	-	7,957
Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,717</u>	<u>8,717</u>
Total assets	<u>\$ 14,462</u>	<u>\$ 7,025</u>	<u>\$ 33,320</u>	<u>\$ 8,717</u>	<u>\$ 63,524</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$ 193	\$ -	\$ -	\$ -	\$ 193
Due to other funds	5,592	-	2,365	-	7,957
Due to other governmental units	<u>-</u>	<u>-</u>	<u>30,955</u>	<u>-</u>	<u>30,955</u>
Total liabilities	<u>5,785</u>	<u>-</u>	<u>33,320</u>	<u>-</u>	<u>39,105</u>
Fund equity:					
Investment in general fixed assets	-	-	-	8,717	8,717
Fund balances	<u>8,677</u>	<u>7,025</u>	<u>-</u>	<u>-</u>	<u>15,702</u>
Total fund equity	<u>8,677</u>	<u>7,025</u>	<u>-</u>	<u>8,717</u>	<u>24,419</u>
Total liabilities and fund balance	<u>\$ 14,462</u>	<u>\$ 7,025</u>	<u>\$ 33,320</u>	<u>\$ 8,717</u>	<u>\$ 63,524</u>

See Accountants' Compilation Report.

The accompanying notes are an integral part of this statement.

CITY COURT OF KAPLAN, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types Year Ended June 30, 2003

	General Fund	Special Revenue Fund	Total (Memorandum Only)
Revenues:			
Court costs - city fines	\$ 13,137	\$ 5,698	\$ 18,835
Court costs - state fines	1,280	120	1,400
Appropriation - City of Kaplan	3,900	-	3,900
Miscellaneous	277	-	277
Total revenues	<u>18,594</u>	<u>5,818</u>	<u>24,412</u>
Expenditures:			
General government -			
Supplemental pay	3,000	-	3,000
Insurance benefits	2,775	-	2,775
Dues, subscriptions, and publications	3,796	-	3,796
Postage and printing	1,487	-	1,487
Seminars	5,267	-	5,267
Supplies	2,000	-	2,000
Telephone	2,408	-	2,408
Repairs and maintenance	1,025	-	1,025
Miscellaneous	374	-	374
Witness fees	-	4,025	4,025
Total expenditures	<u>22,132</u>	<u>4,025</u>	<u>26,157</u>
(Deficiency) excess of revenues over expenditures	<u>(3,538)</u>	<u>1,793</u>	<u>(1,745)</u>
Fund balances, July 1, 2002, as previously stated	17,807	5,232	23,039
Prior period adjustment	<u>(5,592)</u>	<u>-</u>	<u>(5,592)</u>
Fund balances, beginning, as restated	<u>12,215</u>	<u>5,232</u>	<u>17,447</u>
Fund balances, ending	<u>\$ 8,677</u>	<u>\$ 7,025</u>	<u>\$ 15,702</u>

See Accountants' Compilation Report.

The accompanying notes are an integral part of this statement.

CITY COURT OF KAPLAN, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Governmental Fund Types
For the Year Ended June 30, 2003

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Court costs - city fines	\$ 12,383	\$ 13,137	\$ 754
Court costs - state fines	2,808	1,280	(1,528)
Appropriation - City of Kaplan	3,900	3,900	-
Miscellaneous	988	277	(711)
Total revenues	<u>20,079</u>	<u>18,594</u>	<u>(1,485)</u>
Expenditures:			
General government -			
Supplemental pay	3,150	3,000	150
Insurance benefits	3,600	2,775	825
Dues, subscriptions, and publications	3,700	3,796	(96)
Postage and printing	877	1,487	(610)
Seminars	4,045	5,267	(1,222)
Supplies	4,976	2,000	2,976
Telephone	2,627	2,408	219
Repairs and maintenance	907	1,025	(118)
Miscellaneous	636	374	262
Witness fees	-	-	-
Total expenditures	<u>24,518</u>	<u>22,132</u>	<u>2,386</u>
(Deficiency) excess of revenues over expenditures	<u>(4,439)</u>	<u>(3,538)</u>	<u>901</u>
Fund balance, July 1, 2002, as previously stated	17,807	17,807	-
Prior period adjustment	<u>(5,592)</u>	<u>(5,592)</u>	<u>-</u>
Fund balances, beginning, as restated	<u>12,215</u>	<u>12,215</u>	<u>-</u>
Fund balance, ending	<u>\$ 7,776</u>	<u>\$ 8,677</u>	<u>\$ 901</u>

See Accountants' Compilation Report.

The accompanying notes are an integral part of this statement.

Special Revenue Fund			Total		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 4,457	\$ 5,698	\$ 1,241	\$ 16,840	\$ 18,835	\$ 1,995
-	120	120	2,808	1,400	(1,408)
-	-	-	3,900	3,900	-
-	-	-	988	277	(711)
<u>4,457</u>	<u>5,818</u>	<u>1,361</u>	<u>24,536</u>	<u>24,412</u>	<u>(124)</u>
-	-	-	3,150	3,000	150
-	-	-	3,600	2,775	825
-	-	-	3,700	3,796	(96)
-	-	-	877	1,487	(610)
-	-	-	4,045	5,267	(1,222)
-	-	-	4,976	2,000	2,976
-	-	-	2,627	2,408	219
-	-	-	907	1,025	(118)
-	-	-	636	374	262
<u>3,400</u>	<u>4,025</u>	<u>(625)</u>	<u>3,400</u>	<u>4,025</u>	<u>(625)</u>
<u>3,400</u>	<u>4,025</u>	<u>(625)</u>	<u>27,918</u>	<u>26,157</u>	<u>1,761</u>
<u>1,057</u>	<u>1,793</u>	<u>736</u>	<u>(3,382)</u>	<u>(1,745)</u>	<u>1,637</u>
5,232	5,232	-	23,039	23,039	-
-	-	-	<u>(5,592)</u>	<u>(5,592)</u>	-
<u>5,232</u>	<u>5,232</u>	-	<u>17,447</u>	<u>17,447</u>	-
<u>\$ 6,289</u>	<u>\$ 7,025</u>	<u>\$ 736</u>	<u>\$ 14,065</u>	<u>\$ 15,702</u>	<u>\$ 1,637</u>

CITY COURT OF KAPLAN, LOUISIANA

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The City Court of Kaplan (City Court) accounts for the operations of the City Court in Kaplan, Louisiana. The salaries of City Court employees are funded by the State of Louisiana, the Vermilion Parish Police Jury, and the City of Kaplan.

The following is a summary of certain significant accounting policies:

A. Fund Accounting

The accounts of the City Court are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds, because they do not directly affect net expendable available financial resources. Funds are classified into two categories: governmental and fiduciary. Each category is further divided into separate "fund types". The funds presented in the financial statements are described as follows:

Governmental Funds -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the City Court and is used to account for the operations of the City Court's office. The various fees and charges due to the City Court's office are accounted for in this fund. General operating expenditures are paid from this fund.

Special Revenue Fund

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Fiduciary Funds -

Agency Funds

The Civil, State Fines, City Fines, and Bond Agency Funds are used to account for assets held as an agent for individuals, etc. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CITY COURT OF KAPLAN, LOUISIANA

Notes to Financial Statements (Continued)

Account Group -

General Fixed Assets Account Group

This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accompanying general-purpose financial statements have been prepared on the modified accrual basis of accounting for all funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The following practices in recording revenues and expenditures have been used for the governmental funds:

Revenues

Intergovernmental revenues and court cost charges are recorded when the City Court is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

C. Budgets and Budgetary Accounting

The City Court follows these procedures in establishing the budgetary data reflected in the financial statements:

CITY COURT OF KAPLAN, LOUISIANA

Notes to Financial Statements (Continued)

1. A proposed budget is prepared and submitted to the Judge of the City Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the City Court. Such amendments were not material in relation to the original appropriations.

D. General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in the General Fund. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if historical cost is not available. Estimated amounts are immaterial in relation to total fixed assets.

The account group is not a "fund". It is concerned only with the measurement of financial position, not with measurement of results of operations.

E. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

F. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements – Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

CITY COURT OF KAPLAN, LOUISIANA

Notes to Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the City Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The City Court may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2003, the City Court has cash and cash equivalents (book balances) totaling \$46,850.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2003, the City Court has deposit balances (bank balances) totaling \$50,549. These deposits are fully insured from risk by federal deposit insurance.

(3) Interfund Receivables and Payables

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 1,351	\$ 5,592
Special Revenue Fund	1,014	-
Agency Funds	<u>5,592</u>	<u>2,365</u>
	<u>\$ 7,957</u>	<u>\$ 7,957</u>

(4) General Fixed Assets

A summary of changes in general fixed assets follows:

	<u>7/1/2002</u>	<u>Additions</u>	<u>Deductions</u>	<u>6/30/2003</u>
Equipment	<u>\$ 17,305</u>	<u>\$ -</u>	<u>\$ (8,588)</u>	<u>\$ 8,717</u>

CITY COURT OF KAPLAN, LOUISIANA

Notes to Financial Statements (Continued)

(5) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

	Civil Fund	State Fines Fund	City Fines Fund	Bond Fund	Totals
Balances, July 1, 2002, as previously stated	\$ 1,931	\$ 1,358	\$ 6,784	\$ 15,713	\$ 25,786
Prior period adjustment	<u>5,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,592</u>
Balances, beginning, as restated	7,523	1,358	6,784	15,713	31,378
Additions	8,776	11,926	99,980	28,463	149,145
Reductions	<u>(7,156)</u>	<u>(12,632)</u>	<u>(95,062)</u>	<u>(32,353)</u>	<u>(147,203)</u>
Unsettled balances, ending	<u>\$ 9,143</u>	<u>\$ 652</u>	<u>\$ 11,702</u>	<u>\$ 11,823</u>	<u>\$ 33,320</u>

(6) Prior-period Adjustment

Fund balance in the General Fund and unsettled balances in the Civil Fund at the beginning of fiscal year ended June 30, 2003, has been adjusted to correct an error in a prior year. In prior years, the Civil Fund had been omitted from the financial statements; however, there was not enough cash in the Civil Fund to cover the refunds owed to litigants for the excess of advance court costs they had paid over actual costs. Since the Civil Fund cannot cover these refunds, the General Fund must cover the difference between Civil Fund cash and refunds owed. Had the error not been made, excess of revenues over expenditures in the General Fund would have decreased by \$5,592 in prior years and unsettled balances in the Civil Fund would have increased by \$5,592.

SUPPLEMENTAL INFORMATION

SCHEDULES OF INDIVIDUAL FUNDS

AGENCY FUNDS

Civil Fund

The Civil Fund is used to account for the advance costs on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

State Fines Fund

The State Fines Fund is used to account for the receipt and disbursement of state fines and court costs.

City Fines Fund

The City Fines Fund is used to account for the receipt and disbursement of city fines and court costs.

Bond Fund

The Bond Fund is used to account for the receipt and disbursement of bonds.

CITY COURT OF KAPLAN, LOUISIANA
Agency Funds

Combining Balance Sheet
June 30, 2003

	Civil Fund	State Fines Fund	City Fines Fund	Bond Fund	Total
ASSETS					
Cash and cash equivalents	\$ 3,551	\$ 652	\$ 11,702	\$ 11,823	\$ 27,728
Due from other funds	<u>5,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,592</u>
Total assets	<u>\$ 9,143</u>	<u>\$ 652</u>	<u>\$ 11,702</u>	<u>\$ 11,823</u>	<u>\$ 33,320</u>
LIABILITIES					
Due to other funds	\$ -	\$ 45	\$ 2,320	\$ -	\$ 2,365
Unsettled balances:					
Civil suits	8,431	-	-	-	8,431
Due to agencies	-	607	9,382	-	9,989
Due to others	<u>712</u>	<u>-</u>	<u>-</u>	<u>11,823</u>	<u>12,535</u>
Total liabilities	<u>\$ 9,143</u>	<u>\$ 652</u>	<u>\$ 11,702</u>	<u>\$ 11,823</u>	<u>\$ 33,320</u>

See Accountants' Compilation Report.

CITY COURT OF KAPLAN, LOUISIANA
Agency Funds

Combining Schedule of Collections, Distributions, and Unsettled Balances
For the Year Ended June 30, 2003

	Civil Fund	State Fines Fund	City Fines Fund	Bond Fund	Total
Balances, July 1, 2002, as previously reported	\$ 1,931	\$ 1,358	\$ 6,784	\$ 15,713	\$ 25,786
Prior period adjustment	<u>5,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,592</u>
Balances, beginning, as restated	7,523	1,358	6,784	15,713	31,378
Additions:					
Deposits in civil suits	8,776	-	-	-	8,776
Fines	-	11,926	99,980	18,144	130,050
Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,319</u>	<u>10,319</u>
Total collections	<u>8,776</u>	<u>11,926</u>	<u>99,980</u>	<u>28,463</u>	<u>149,145</u>
Reductions:					
Payments by order of the Court	2,376	-	-	-	2,376
Refund of deposits	188	-	-	7,944	8,132
Fees transferred to General Fund	-	1,423	12,668	-	14,091
Fines transferred to other funds	-	-	-	24,409	24,409
District attorney	-	1,340	1,060	-	2,400
City marshal	1,061	1,005	8,355	-	10,421
Sheriff	149	-	-	-	149
Other fees	1,921	67	557	-	2,545
Indigent defender board	-	1,842	15,318	-	17,160
Crime lab	-	790	6,530	-	7,320
LA commission on law enforcement	-	170	1,436	-	1,606
Witness fees	-	134	4,989	-	5,123
Judges support compensation fee	1,221	-	-	-	1,221
Judicial costs	-	132	1,114	-	1,246
Clerk of Court	240	-	-	-	240
City of Kaplan	-	-	43,035	-	43,035
Vermilion parish police jury	<u>-</u>	<u>5,729</u>	<u>-</u>	<u>-</u>	<u>5,729</u>
Total distributions	<u>7,156</u>	<u>12,632</u>	<u>95,062</u>	<u>32,353</u>	<u>147,203</u>
Unsettled balances, ending	<u>\$ 9,143</u>	<u>\$ 652</u>	<u>\$ 11,702</u>	<u>\$ 11,823</u>	<u>\$ 33,320</u>

See Accountants' Compilation Report.

OTHER SUPPLEMENTAL INFORMATION

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Frank E. Lemoine, City Judge
City Court of Kaplan, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the City Court of Kaplan, Louisiana (City Court), and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the City Court's compliance with certain laws and regulations during the year ended June 30, 2003, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures made during the year which exceeded \$15,000 for material and supplies, or \$100,000 for public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each employee as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8690

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddell
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 381-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on June 20, 2002, which indicated that the budget had been adopted by the City Court. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%, except that revenues of the General Fund were 7.4% below amounts budgeted for the year.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

All six payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and the City Court Judge.

Meetings

9. There were no procedures applicable to meetings because the City Court Judge is an independently elected official and does not hold public meetings as do other governmental units.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

The City Court Judge is paid by the State of Louisiana and the Vermilion Parish Police Jury, and all other City Court employees are paid by the Vermilion Parish Police Jury and the City of Kaplan; therefore, the City Court had no payroll expenditures to examine. However, during our inspection of expenditures, we noted instances of payments to former employees from the Civil Fund. The Civil Fund is an agency fund that holds deposits in litigation. There is no authority to make payments to anyone other than the parties specified in the civil suit, including employees.

See the Summary Schedule of Current and Prior Year Findings for any comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the City Court and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 30, 2003

CITY COURT OF KAPLAN, LOUISIANA

Summary Schedule of Current and Prior Year Findings and Corrective Action Plan Year ended June 30, 2003

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>CURRENT YEAR (6/30/03) --</u>						
<u>Internal Control:</u>						
03-1(C)	Unknown	The City Court of Kaplan did not have adequate segregation of functions within the accounting system.	N/A	Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.	Theresa Green, Clerk	N/A
<u>Compliance:</u>						
03-2(C)	6/30/2003	Actual total revenues in the General Fund failed to meet budgeted revenues by \$1,485 or 7.4%. LSA-RS 39:1311 requires the City Court to amend the budget when actual plus projected revenue collections for the year fail to meet budgeted revenues by 5.0% or more.	Yes	Management will more closely monitor the budgeted and actual revenues to determine if amendments to the original budget are necessary.	Theresa Green, Clerk	6/30/2004
03-3(C)	6/30/2003	There were several instances of payments to former City Court employees out of the Civil Fund, which is an agency fund that holds deposits in civil litigation. There is no authority to make payments to employees out of the Civil Fund.	Yes	Management will ensure that there are no longer payments to anyone but those specified in the civil suits for which the deposits are being held.	Theresa Green, Clerk	6/30/2004
<u>PRIOR YEAR (06/30/02) --</u>						
<u>Internal Control:</u>						
02-1 (IC)		See item 03-1(IC) above.				
<u>Compliance:</u>						
02-2 (C)		See item 03-2(C) above.				
02-3 (C)		The City Court of Kaplan failed to adopt a budget for its Witness Fee Special Revenue Fund for the year ended June 30, 2002, as required by LSA RS 39:1305.	Yes	The City Court of Kaplan adopted a budget for its Witness Fee Special Revenue Fund for the year ended June 30, 2003.	Theresa Green, Clerk	N/A